

EDISON ELECTRIC INSTITUTE

December 4, 2002

Philip A. Cooney Chief of Staff White House Council on Environmental Quality 730 Jackson Place Washington, D.C. 20503

Re: Power Partners and Business Challenges

Dear Mr. Cooney:

We appreciate the opportunity to meet with you and other Administration officials yesterday to discuss matters relating to Business Challenges/the President's Energy Partners for Climate Action. We look forward to working with you and the Administration in making the kickoff and subsequent activities of the Business Challenges a resounding success.

I enclose for your information the latest letter from EEI President Tom Kuhn to our member company CEO's informing them of Power Partners activities and requesting further participation by our member companies in Power Partners and industry-wide initiatives. I also enclose a copy of a detailed Email message that I transmitted to Larisa Dobriansky earlier this week in response to her request for additional information on Power Partners activities. The salient points of that message may be summarized as follows:

- NEI, which is virtually a subset of EEI, will produce substantial numbers in response to the President's initiative.
- Thus far roughly one-third of EEI's member companies have preliminarily indicated that they will consider committing to either a numerical range of tons of GHG reductions or a numerical (percentage) range of carbon intensity reductions.
- So far three of our eight industry initiatives have estimated numbers. (Two initiatives are long-term, R, D &D technology programs that are unlikely to produce quantified results in the next 10 years.)
- EEI Power Partners companies comprise 81 percent of EEI member company generation a high level of participation by any measure.

Mr. Philip A. Cooney December 4, 2002 Page 2

Please let me know if you have any questions or comments on EEI's activities or those of the other six trade groups comprising the Electric Power Industry Climate Initiative (EPICI).

With regard to the Business Challenges kickoff on or about January 23, 2003, on behalf of EPICI I would like to request 19 invitations for the State Department event (three invitations each for EEI, NEI, APPA, LPPC, NRECA and EPSA and one for TVA). If additional invitations become available, I feel certain that EPICI organizations can use them.

Thank you, and I look forward to remaining in close contact.

Sincerely yours,

William L. Fang

Bill Fang

Deputy General Counsel and Climate Issue Director

Enclosures (2) WLF:wg